



# SHARP

## RESPONSIBLE SOURCING FROM SMALLHOLDERS (RSS)



## GIVING SMALL PRODUCERS A PLACE IN RESPONSIBLE SUPPLY CHAINS

Companies know that responsible sourcing policies are only the start. The follow through demands significant investment and some difficult choices. One of the biggest challenges for companies who would like to source responsibly is how to engage with their smallholder suppliers.

Responsible Sourcing from Smallholders (RSS) helps companies to manage risks to sustainable sourcing while supporting smallholders to continuously improve production practices and livelihood security.

# HOW IT WORKS

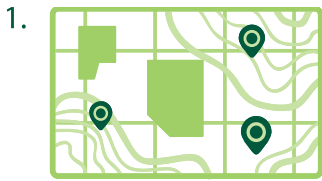
RSS provides a framework for companies to engage with their smallholder suppliers, both on capacity building for better livelihoods and to control of risks for clients and customers.

The RSS framework is designed for implementation by a mill, crusher, trader or producer cooperative – the first gathering point.

Risks and support needs are assessed in parallel, in consultation with smallholders. There are flexible options for bringing other local interests into this process.

SHARP HAS DEFINED 3 CORE ISSUES FOR SUSTAINABLE PRODUCTION:

SUPPORT FOR SMALLHOLDERS USUALLY STARTS BY LOOKING AT 3 KEY AREAS:



LAND RIGHTS  
& CONFLICTS



LABOUR RIGHTS &  
WORKING CONDITIONS



BETTER YIELDS &  
FOOD SECURITY



## RSS KEY STAGES



1. **Preparation:** the company decides how to manage the RSS, which smallholders to include, and how to consult with stakeholders.
2. **Assessment:** companies and farmers together identify risks, mitigation measures and opportunities for support.
3. **Planning:** an action plan is agreed to help farmers build robust institutions and implement better agricultural practices to manage risks, increase yields and thereby improve livelihoods.
4. **Implementation:** the plan is delivered in partnership with local stakeholders, integrating existing initiatives and additional approaches wherever appropriate. Process and outcomes are documented at each stage.
5. **Monitoring:** through this cycle of assessment, planning, implementation and review, continuous improvement in smallholder performance is delivered.

## WHY RSS?

RSS offers a starting point for companies to work towards meeting their commitments on responsible sourcing. It's a manageable first step for both producers and buyers for whom certification is only a distant ambition. There is no pass or fail or automatic exclusion without opportunity for improvement. And credibility is maintained through transparency on process, rather than a formal governance structure.

RSS is in use as a pathway to certification and legality compliance. But it is equally valuable where the objective is compliance with internal policies or national legislation or for commodities where there is no internationally recognised certification standard. In this form it can serve as a common point of reference for business to business communications.

# RSS IN ACTION AROUND THE WORLD



## PALM OIL | INDONESIA

RSS is enabling companies and independent small producers in Riau and Jambi to align production practice with demands for responsible sourcing from discerning international markets. This is effectively moving the whole supply base towards attaining certified standards. At the same time smallholders are learning how to improve yields, control quality and develop cooperatives through which engagement between smallholder and company can be maintained in the long term.



## SUGAR CANE | INDIA

The client of a sugar cane mill identified significant gaps between their expectations for social and environmental sustainability and the practices of smallholder producers. The RSS framework will help to bridge these gaps. It facilitates assessment of existing support systems and further needs for farmers to improve both agricultural practices and livelihoods. The next step will be an action plan to address these needs, identifying external sources to deliver support where appropriate.



## SOY | BRAZIL

RSS helped identify a pathway for soy farmers in Paraná, Brazil to achieve sustainable production standards. Flexible RSS work plans for risk mitigation have accommodated key concerns about lack of healthcare and monitoring of pesticide use. In this instance, the RSS framework was shown to be compatible with the Roundtable of Sustainable Biomaterials (RSB) smallholder group standard.